

CATSKILL WATERSHED CORPORATION

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2021 AND 2020

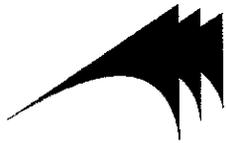
CATSKILL WATERSHED CORPORATION

TABLE OF CONTENTS

DECEMBER 31, 2021 AND 2020

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INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS:	
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to the Financial Statements	8
SUPPLEMENTARY INFORMATION:	
Schedule of Financial Position - By Program as of December 31, 2021	26
Schedule of Revenues and Functional Expenses -- By Program as of December 31, 2021	30
REPORT IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i> :	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	34
REPORT IN ACCORDANCE WITH <i>NEW YORK STATE PUBLIC AUTHORITIES LAW</i> :	
Independent Auditor’s Report on Compliance with Section 2925 (3)(f) of the New York State Public Authorities Law	36



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*Your Partner When It Counts*

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Catskill Watershed Corporation  
Margaretville, New York

We have audited the accompanying statements of the financial position of Catskill Watershed Corporation (a nonprofit organization), as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise Catskill Watershed Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Catskill Watershed Corporation as of December 31, 2021 and 2020, and the respective changes in its net assets and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Catskill Watershed Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibility of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Catskill Watershed Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

CATSKILL WATERSHED CORPORATION  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Catskill Watershed Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Catskill Watershed Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Supplemental Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of

CATSKILL WATERSHED CORPORATION  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2022 on our consideration of Catskill Watershed Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catskill Watershed Corporation's internal control over financial reporting and compliance.

***Other Reporting Required by Section 2925(3)(f) of the New York State Public Authorities Law and Part 201 of Title Two of the New York Code of Rules and Regulations***

In accordance with *Section 2925(3)(f) of the New York State Public Authorities Law and Part 201 of Title Two of the New York Code of Rules and Regulations*, we have also issued our report dated February 25, 2022 on our consideration of Catskill Watershed Corporation's compliance with these regulations. The purpose of that report is to describe the compliance and the results of that testing.

*Richard, Torchia, Allen & Churchill, C.P.A.s P.C.*

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Hudson, New York  
February 25, 2022

## CATSKILL WATERSHED CORPORATION

## STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2021 AND 2020

*ASSETS*

	2021	2020
<b>CURRENT ASSETS:</b>		
Cash and Cash Equivalents	\$ 99,035,920	\$ 66,036,166
Cash and Cash Equivalents - Reserved	2,597,698	2,597,698
Short-Term Investments	764,116	5,981,356
Short-Term Investments - Reserved	-	-
Grants Receivable	-	18,396
Accounts Receivable	16,148	41,392
Accrued Interest Receivable	179,925	198,032
Loans Receivable, Net of Allowance for Doubtful Accounts	3,223,600	4,056,361
Prepaid Expenditures	<u>178,170</u>	<u>119,362</u>
Total Current Assets	<u>105,995,577</u>	<u>79,048,763</u>
<b>PROPERTY, PLANT, AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION</b>		
	<u>18,297,035</u>	<u>19,171,714</u>
<b>LONG-TERM ASSETS:</b>		
Long-Term Investments	23,379,990	24,044,592
Long-Term Investments - Reserved	-	-
Lease Receivable	95,141	102,665
Loans Receivable, Net of Allowance for Doubtful Accounts	18,010,215	20,550,357
CWC Holdings II, LLC	<u>1,112,354</u>	<u>1,156,366</u>
Total Long-Term Assets	<u>42,597,700</u>	<u>45,853,980</u>
	<u>\$ 166,890,312</u>	<u>\$ 144,074,457</u>

*LIABILITIES AND NET ASSETS*

<b>CURRENT LIABILITIES:</b>		
Accounts Payable	\$ 1,961,933	\$ 1,752,072
Accrued Expenditures	253,085	271,173
Deferred Revenue	<u>154,458,090</u>	<u>131,948,620</u>
Total Current Liabilities	<u>156,673,108</u>	<u>133,971,865</u>
<b>NET ASSETS:</b>		
Without Donor Restrictions	10,217,204	10,102,592
With Donor Restrictions	<u>-</u>	<u>-</u>
Total Net Assets	<u>10,217,204</u>	<u>10,102,592</u>
	<u>\$ 166,890,312</u>	<u>\$ 144,074,457</u>

*Note: Totals may not add due to rounding*

See independent auditor's report and notes to the financial statements.

CATSKILL WATERSHED CORPORATION

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<b>REVENUE:</b>		
Grant Revenue	\$ 17,615,815	\$ 31,205,070
Interest and Other Income	<u>831,675</u>	<u>1,154,578</u>
Total Revenue	<u>18,447,490</u>	<u>32,359,648</u>
<b>EXPENDITURES:</b>		
Program Services	16,532,059	30,358,674
Administrative and General	<u>1,706,961</u>	<u>1,291,308</u>
Total Expenditures	<u>18,239,020</u>	<u>31,649,982</u>
	208,470	709,666
<b>OPERATING REVENUES, GAINS, AND OTHER SUPPORT:</b>		
Gain or (Loss) on Investment	<u>(93,858)</u>	<u>675,033</u>
Changes in Net Assets	114,612	1,384,699
Net Assets, Beginning	<u>10,102,592</u>	<u>8,717,893</u>
Net Assets, Ending	<u>\$ 10,217,204</u>	<u>\$ 10,102,592</u>

*Note: Totals may not add due to rounding*

See independent auditor's report and notes to the financial statements.

CATSKILL WATERSHED CORPORATION

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021			2020		
	West of Hudson Program Services	Management and General	Total	West of Hudson Program Services	Management and General	Total
Salary	\$ 666,702	\$ 646,575	\$ 1,313,277	\$ 604,665	\$ 687,556	\$ 1,292,221
Fringe Benefits	309,877	386,777	696,654	258,394	374,239	632,633
Program	14,479,057	-	14,479,057	28,462,849	-	28,462,849
Occupancy Costs	20	418,350	418,370	3,647	139,229	142,876
Advertising & Promotion	7,059	4,567	11,626	8,682	4,028	12,710
Office Supplies	370	19,230	19,600	152	24,549	24,701
Communication	2,894	16,079	18,973	6,310	18,450	24,760
Grants	115,459	-	115,459	61,457	-	61,457
Travel	262	14,267	14,529	178	15,049	15,227
Conferences and Seminars	85	419	504	2,287	1,102	3,389
Insurance	49,417	99,413	148,830	23,828	89,683	113,511
Repairs & Maintenance	9,197	10,028	19,225	6,779	13,575	20,354
Subscriptions & Publications	911	6,911	7,822	1,414	4,249	5,663
Professional Fees	74,341	250,268	324,609	68,643	219,103	287,746
Administrative	776,992	(776,992)	-	809,810	(809,810)	-
Depreciation	39,046	610,204	649,250	39,419	481,099	520,518
Dues, Licenses, and Memberships	225	506	731	165	1,894	2,059
Miscellaneous	145	359	504	(5)	27,313	27,308
Impairment Loss	-	-	-	-	-	-
Interfund Transfers Out	-	-	-	-	-	-
Total Expenditures	<u>16,532,059</u>	<u>1,706,961</u>	<u>18,239,020</u>	<u>30,358,674</u>	<u>1,291,308</u>	<u>31,649,982</u>

*The allocation of expenses are based on actual expenses occurred during the year*

*Note: Totals may not add due to rounding*

See independent auditor's report and notes to the financial statements.

CATSKILL WATERSHED CORPORATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash from Funding Agencies	\$ 40,168,924	\$ 22,029,358
Interest Income and Other	394,233	1,813,893
Cash Paid for Operating Activities	<u>(17,464,362)</u>	<u>(32,656,709)</u>
Net Cash Provided (Used) by Operating Activities	<u>23,098,795</u>	<u>(8,813,458)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceed from Investment Maturities/Sales	10,677,841	60,918,513
Purchase of Investments	(11,854,658)	(54,387,372)
Loan Payments Received	4,593,830	2,527,374
Loans Issued	(1,213,368)	(3,372,245)
Purchase of Fixed Assets	<u>(91,859)</u>	<u>(3,610,120)</u>
Net Cash Provided (Used) by Investing Activities	<u>2,111,786</u>	<u>2,076,150</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>25,210,581</b>	<b>(6,737,308)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<b><u>76,423,036</u></b>	<b><u>83,160,344</u></b>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<b><u>\$ 101,633,617</u></b>	<b><u>\$ 76,423,036</u></b>

*RECONCILIATIONS OF CHANGES IN NET ASSETS TO NET CASH PROVIDED (USED)  
BY OPERATING ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020:*

Changes in Net Assets	\$ 114,612	\$ 1,384,699
<b>Adjustments to Changes in Net Assets</b>		
<b>to Net Cash Provided (Used) by Operating Activities:</b>		
Depreciation	649,250	56,234
Donated Property	-	-
Change in Market Value	(361,691)	(61,007)
Bad Debt Expense (Recovery)	<u>(7,558)</u>	<u>(1,325,562)</u>
Working Capital Provided (Used) by Operating Activities	<u>394,613</u>	<u>54,364</u>
<b>Changes in Assets and Liabilities:</b>		
<b>(Increase) Decrease in:</b>		
Grants Receivable	18,396	112,714
Accounts Receivable	25,244	15,472
Accrued Interest Receivable	18,107	45,289
Prepaid Expenditures	(58,808)	(44,120)
<b>(Decrease) Increase in:</b>		
Accounts Payable	209,861	226,349
Accrued Expenditures	(18,088)	80,371
Deferred Revenue	<u>22,509,470</u>	<u>(9,303,897)</u>
	<u>22,704,182</u>	<u>(8,867,822)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b><u>\$ 23,098,795</u></b>	<b><u>\$ (8,813,458)</u></b>

**Non-Cash:**

The Organization has non-cash activity, which it records as in-kind net assets in the Operating Fund. In-Kind for the years ended December 31, 2021 and 2020, was \$-0- and \$-0- respectively.

*Note: Totals may not add due to rounding*

See independent auditor's report and notes to the financial statements.

CATSKILL WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

This summary of significant accounting policies of the Catskill Watershed Corporation (“CWC”) is presented to assist in understanding the CWC’s financial statements. The financial statements and notes are representations of the CWC’s management, which are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

A. Organization:

CWC is a not-for-profit organization as defined in sub-paragraph (a) (5) of Section 102 of the Not-for-Profit Law and is a local development corporation pursuant to Section 141 of the Not-for-Profit Corporation Law. The Corporation is exempt from income taxes under Section 501 (c)(3) of the United States Internal Revenue Code. CWC was organized as a non-profit corporation under the laws of the State of New York on November 5, 1996, and commenced operations on December 9, 1996. CWC was formed to relieve and reduce adult unemployment, promote and provide additional maximum adult employment, and attract new commerce and industry to the West of the Hudson (WOH) Watershed. CWC’s primary purpose is to administer Watershed Protection and Partnership Programs necessary to maintain and enhance the water quality in the West of Hudson Watershed and to make decisions on funding and implementation of such programs.

B. Financial Statement Presentation:

CWC is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, CWC is required to present a statement of cash flows.

C. Fund Accounting:

In order to ensure observance of limitations placed on the use of resources available to CWC, the accounts are maintained in accordance with the principles of fund accounting grouped according to the restriction categories identified above. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into programs established according to their nature and purpose. Separate accounts are maintained for each major program. Accordingly, all financial transactions have been recorded and reported by program. CWC records all of its transactions in 18 self-balancing programs classified by the restriction categories identified above as follows:

- I. *Operating I thru V* – The Operating Program includes resources that are expendable for support of CWC’s operations. All inter-program activity has been eliminated through consolidation. *Operating II & III contracts are closed.*
- II. *Flood Hazard Mitigation Program* – The Flood Hazard Mitigation Program funds the implementation of projects that reduce repetitive flood losses and water quality. All inter-program activity has been eliminated through consolidation.

See independent auditor’s report.

CATSKILL WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021 AND 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

- III. *Alternate Design* – The Alternate Design Program includes resources and funds expended for design, construction, and installation of alternate designed septic systems, which would be required beyond the State, or Local regulations of enforceable standards. All inter-program activity has been eliminated through consolidation. *Alternate Design contract is closed.*
- IV. *Septic Program III, IV & V*–The Septic Program III, IV & V are a continuation of the Septic Program II and [Septic Program III] includes the creation and installation of new cluster septic systems for residences or small businesses where appropriate for water quality reasons. Septic V includes cluster O&M and an expanded septic program. All inter-program activity has been eliminated through consolidation.
- V. *Septic System Maintenance* – The Septic System Maintenance Program is a voluntary cost-sharing program intended to reduce the occurrence of system failures through regular pump-outs and maintenance. All inter-program activity has been eliminated through consolidation.
- VI. *Land Acquisition* – The Land Acquisition Program represents funds expendable for the reimbursement to towns and/or villages in the WOH Watershed for costs incurred to review, access, and comment on submissions to acquire lands and to delineate the boundaries of hamlets, commercial and industrial areas, and village extensions. All inter-program activity has been eliminated through consolidation.
- VII. *Stream Corridor Protection* – The Stream Corridor Protection Program’s resources were made available for the costs of designing, constructing and implementing stream corridor protection projects in West of Hudson. The Debris Removal Program is included in this fund. All inter-program activity has been eliminated through consolidation.
- VIII. *Future Stormwater MOA145* - The Future Stormwater MOA145 funds were made available to pay for the costs of new Stormwater measures, or maintenance thereof, in the West of Hudson Watershed required by specific sections of the Watershed Regulations. All inter-program activity has been eliminated through consolidation.
- IX. *Community Wastewater Management* – The Community Wastewater Management Program resources are intended to provide assistance for Wastewater Management Projects in up to five identified Communities. All inter-program activity has been eliminated through consolidation. *Community Wastewater Management contract is closed.*
- X. *Community Wastewater Management Phase II & III* – The Community Wastewater Management Program Phase II shall fund the design and construction of community septic systems and/or wastewater treatment plants in

See independent auditor’s report.

CATSKILL WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021 AND 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

existing participating communities and in three additional participating communities. Phase III encompasses the last five [Memorandum of Agreement] communities. All inter-program activity has been eliminated through consolidation. *Community Wastewater Management Phase II is closed and all remaining funds were returned to NYCDEP.*

- XI. *Public Education Program II & II Renewal* – The Public Education Program II & II Renewal provides funds to educate the public and increase awareness of the nature and importance of the New York City (City) water supply. All inter-program activity has been eliminated through consolidation. *Public Education Program I is closed.*
- XII. *Stormwater Retrofits I & II* – The Stormwater Retrofits Programs provide funds expendable for the design, construction, implementation, and maintenance of storm water best management policies to address existing storm water run-off in concentrated areas of impervious surfaces. All inter-program activity has been eliminated through consolidation.
- XIII. *Stormwater Technical Assistance Funds* – The Stormwater Technical Assistance was established to retain a Stormwater Program Specialist to assist applicants undertaking regulated activities to comply with the storm water provisions of the Watershed Regulations. All inter-program activity has been eliminated through consolidation.
- XIV. *Tax Consulting* – The Tax Consulting Program provides funds for payment of fees and expenses of attorneys and/or professional consultants retained by the CWC and/or the towns and/or villages in the WOH Watershed to analyze or assist in the administration of real property taxes paid by the City on City-owned land within the WOH Watershed. All inter-program activity has been eliminated through consolidation.
- XV. *WOH Future Stormwater I & II* – The Future Stormwater Controls Program I & II represents funds expendable for the design, construction, implementation, and maintenance of storm water measures with the WOH Watershed required by the New York City Watershed Regulation not otherwise required by Federal and/or State law. All inter-program activity has been eliminated through consolidation.
- XVI. *Local Technical Assistance Program* – The Local Technical Assistance Program was established to provide for the development and implementation of Community Planning Initiatives. Sustainable Community Program is included in this fund. All inter-program activity has been eliminated through consolidation.
- XVII. *Catskill Fund for the Future* – Funds allocated to the Catskill Fund for the Future are used for the support of responsible, environmentally sensitive economic development projects in the WOH Watershed. All inter-program activity has been eliminated through consolidation.

See independent auditor's report.

CATSKILL WATERSHED CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2021 AND 2020

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

- XVIII. *Tax Litigation Avoidance Program* – The Tax Litigation Avoidance Program provides assistance to watershed assessing authorities (towns and villages) for the purpose of avoiding the costs and risks of litigation over taxes assessed on certain City owned real property in the West of Hudson Watershed. All inter-program activity has been eliminated through consolidation.
- XIX. *Shokan Wastewater Management Program* – The Shokan Program provides funding for engineering studies and construction for an appropriate community wastewater management system to serve the Shokan area in the Town of Olive. All inter-program activity has been eliminated through consolidation.

D. Basis of Presentation:

CWC prepares its financial statements and maintains its records on the accrual basis of accounting. This method is consistent with that used in the preparation of CWC's annual information returns.

E. Basis of Revenue Recognition:

Program revenue is recognized when the related program expenditure is incurred, as expenditures are the prime factor in determining funding eligibility and represents a grant condition. Program receipts in excess of revenue recognized is recorded as deferred grant revenue.

F. Property, Plant, and Equipment:

Property, plant, and equipment are stated at cost, or at fair market value for donated items. Expenditures for additions, improvements, and major renewals, which extend the life of an asset, are capitalized, whereas expenditures for maintenance and repairs are charged to operations when incurred. The amounts for property disposals are removed from the assets, accumulated depreciation accounts, and any resultant gain or loss is included in earnings.

G. Depreciation:

Depreciation is computed for financial reporting purposes using principally the straight-line method based upon estimated useful lives of the assets; ranging from 5 to 39.5 years.

H. Income Taxes:

CWC is income tax exempt under Section 501 (c) (3) of the United States Internal Revenue Code. Accordingly, no provision for income taxes has been made.

I. Cash and Cash Equivalents:

CWC considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The carrying amounts reported in the statement

See independent auditor's report.

CATSKILL WATERSHED CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2021 AND 2020

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

of financial position approximate fair values because of the short maturity of those instruments.

J. Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. Advertising:

The Corporation expenses advertising costs as they are incurred.

NOTE 2 – CASH AND CASH EQUIVALENTS:

Cash and cash equivalents deposited with financial institutions amounted to \$101,633,617 and \$74,428,789 as of December 31, 2021 and 2020, respectively.

The bank balance was \$102,745,402 and \$75,497,424 as of December 31, 2021 and 2020, and was entirely covered by FDIC or by collateral held by a bank in the Corporation's name.

There are three categories of credit risk that apply to the Corporation's balance:

1. Insured or collateralized with securities held by the Corporation or by the Corporation's agent in the Corporation's name;
2. Collateralized with securities held by the pledging financial institution's trust department or the Corporation's agent in the Corporation's name; and
3. Uncollateralized.

See independent auditor's report.

CATSKILL WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021 AND 2020

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED):

Balances held in each category as of December 31, 2021, are as follows:

Program	Bank Balance	Carrying Amount	FDIC/Collateral
Operating	\$ 250,000	\$ 250,000	Insured (FDIC)
Septic Program III	250,000	250,000	Insured (FDIC)
Future Stormwater	<u>250,000</u>	<u>250,000</u>	Insured (FDIC)
Subtotal	<u>750,000</u>	<u>750,000</u>	
Operating	1,943,038	831,253	Collateral Held by Unit's Custodial Bank
Septic Program III	4,364,680	4,364,680	Collateral Held by Unit's Custodial Bank
Septic Program IV	1	1	Collateral Held by Unit's Custodial Bank
Septic Program V	14,633,682	14,633,682	Collateral Held by Unit's Custodial Bank
Septic Maintenance	878,796	878,796	Collateral Held by Unit's Custodial Bank
Stream Corridor Protection	1,521,081	1,521,081	Collateral Held by Unit's Custodial Bank
Flood Hazard Mitigation	7,965,783	7,965,783	Collateral Held by Unit's Custodial Bank
Community Wastewater III	14,583,772	14,583,772	Collateral Held by Unit's Custodial Bank
Shokan Community Wastewater	23,657,691	23,657,691	Collateral Held by Unit's Custodial Bank
Public Education II	24,383	24,383	Collateral Held by Unit's Custodial Bank
Public Education II - Renewal	111,958	111,958	Collateral Held by Unit's Custodial Bank
Stormwater Retrofits I & II	2,046,321	2,046,321	Collateral Held by Unit's Custodial Bank
Stormwater Retrofits - Technical Assist.	31,157	31,157	Collateral Held by Unit's Custodial Bank
Stormwater Retrofits I & II - Maintenance	415,205	415,205	Collateral Held by Unit's Custodial Bank
Tax Consulting	372,186	372,186	Collateral Held by Unit's Custodial Bank
Tax Litigation Avoidance	378,968	378,968	Collateral Held by Unit's Custodial Bank
WOH Future Stormwater	6,262,217	6,262,217	Collateral Held by Unit's Custodial Bank
WOH Future Stormwater - Lateral Repair Program	295,995	295,995	Collateral Held by Unit's Custodial Bank
WOH Future Stormwater - MOA 145	1,154,700	1,154,700	Collateral Held by Unit's Custodial Bank
Local Technical Assistance	214,170	214,170	Collateral Held by Unit's Custodial Bank
Catskill Fund for the Future & Escrow	21,136,097	21,136,097	Collateral Held by Unit's Custodial Bank
CFF - Business Recovery	<u>3,523</u>	<u>3,523</u>	Collateral Held by Unit's Custodial Bank
Subtotal	<u>101,995,402</u>	<u>100,883,617</u>	
	<u>\$ 102,745,402</u>	<u>\$ 101,633,617</u>	

NOTE 3 – RESERVED CASH AND INVESTMENTS:

The Stream Corridor, Community Wastewater Management III, and LTAP have reserved cash and/or money markets of \$1,366,855, \$1,120,843 and \$110,000, respectively. The reserves were established for Debris Removal, Street Laterals and Sustainable Communities.

See independent auditor's report.

CATSKILL WATERSHED CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 2021 AND 2020

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NOTE 4 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Donor-restricted amounts that are available for use within one year for general purposes.

	2021	2020
Financial Assets at Year End	\$ 129,197,396	\$ 102,973,992
Less Those Unavailable for General Expenditures Within One Year	-	-
	\$ 129,197,396	\$ 102,973,992

NOTE 5 – RECEIVABLES:

A. Grants Receivable:

Grants receivable represents that portion of grant monies due to CWC from granting entities or NYCEP for expenditures incurred by CWC. A summary of grants receivable as of December 31, 2021 and 2020, is as follows:

Program	2021	2020
Stewardship & Planning	-	18,396
Total Grants Receivable	-	18,396

*Also see Note 20.*

See independent auditor's report.

CATSKILL WATERSHED CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2021 AND 2020

NOTE 5 – RECEIVABLES (CONTINUED):

B. Accrued Interest Receivable:

Accrued interest receivable consists of interest income that has not been received at year-end. Accrued interest receivable as of December 31, 2021 and 2020, amounted to \$179,925 and \$198,032, respectively.

C. Loans Receivable:

Within the Catskill Fund for the Future Program, there are 78 loans receivable from a variety of entities totaling, \$22,567,122. The years of maturity range from 2021 to 2036 and the interest rates range up to 4 percent. Collateral consists of a first or second position on real estate and/or entity assets. The loans are classified as current and long-term assets in the accompanying financial statements. CWC has established an allowance for doubtful accounts in the amount of \$1,333,308. Provisions for losses of allowances on loans receivable are determined on the basis of loss experience, known and inherent risks in the loan portfolio, the estimated value of underlying collateral, and current economic conditions.

NOTE 6 – PROPERTY, PLANT, AND EQUIPMENT:

Property, plant, and equipment as of December 31, 2021 and 2020, is summarized as follows:

	2021		2020	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Land	\$ 477,587	\$ -	\$ 477,587	\$ 827,265
Building	18,000,520	802,744	17,197,776	17,572,066
Equipment	115,725	58,592	57,133	70,013
Vehicle	253,548	176,091	77,457	120,113
Furniture & Fixtures	728,041	246,760	481,281	573,312
Improvements	-	-	-	-
Software	37,280	31,480	5,801	8,945
	<u>\$ 19,612,702</u>	<u>\$ 1,315,667</u>	<u>\$ 18,297,035</u>	<u>\$ 19,171,714</u>

*Note: Totals may not add due to rounding.*

Depreciation expense for the years ended December 31, 2021 and 2020 is \$611,699 and \$482,967, respectively. *Also see Note 15.*

See independent auditor's report.

CATSKILL WATERSHED CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 2021 AND 2020

NOTE 7 – INVESTMENTS:

Under NYCDEP contractual obligations, net appreciations can be used as regular program expenditures, contract specific expenditures or a reduction of the NYCDEP financial/contractual obligation. The CWC utilizes all net appreciations for annual expenditures unless there are contractual or Board of Director designated restrictions. The following schedule summarizes the bond investment return and its classification in the statement of activities:

Interest on Long-Term Investments	\$	208,096
Net Realized Gains		40,375
Net Unrealized Gains/(Losses)		<u>(361,691)</u>
Return on Long-Term Investments		(113,221)
Interest on Short-Term Investments		<u>19,363</u>
Total Return on Investments	\$	<u><u>(93,858)</u></u>
Investment Return Designated for Current Operations	\$	<u><u>93,858</u></u>

*Note: Totals may not add due to rounding.*

In addition to investing in money markets and/or certificates of deposits, the CWC has purchased ‘investment grade’ municipal & agency bonds rated Baa to AAA or equivalent and with maturities ranging from one year up to approximately five years. The bonds are classified as short or long term investments on the Statement of Financial Position and are considered to be investments held to maturity. However, certain bonds were purchased and/or sold to reflect market conditions/opportunities. The investments are stated at market values and any bond premiums or discounts are amortized on a straight-line basis. Market value is determined using a fair value measurement hierarchy. CWC’s investments are each valued using Level 1 inputs. Any unrealized gains or losses are reflected in the Statement of Activities. Below is summary of the investments:

See independent auditor’s report.

CATSKILL WATERSHED CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2021 AND 2020

NOTE 7 – INVESTMENTS (CONTINUED):

	2021			2020
	Carry Value	Unrealized Gain/(Loss)	Market Value	Market Value
Municipal & Agency Bonds	\$ 756,166	\$ 7,950	\$ 764,116	\$ 186,130
M & A Bonds - Received	-	-	-	-
Total Short-Term	<u>\$ 756,166</u>	<u>\$ 7,950</u>	<u>\$ 764,116</u>	<u>\$ 186,130</u>
Municipal & Agency Bonds	\$ 23,591,257	\$ (211,266)	\$ 23,379,990	\$ 24,044,592
M & A Bonds - Received	-	-	-	-
Total Long-Term	<u>\$ 23,591,257</u>	<u>\$ (211,266)</u>	<u>\$ 23,379,990</u>	<u>\$ 24,044,592</u>

*Note: Totals may not add due to rounding.*

NOTE 8 – COMPENSATED ABSENCES:

Employees of CWC earn annual time at various amounts. In case of termination of employment or upon retirement, employees are entitled to payment for accumulated annual and sick time. The estimated annual and sick time liability at December 31, 2021 and 2020, of \$103,882 and \$101,075, respectively, has been included in accrued expenses in the accompanying financial statements.

NOTE 9 – DEFERRED GRANT REVENUE:

Any payment(s) received in advance of expenditure are not recognized as income until such expenditures are incurred. Such advance payments are recorded as deferred grant revenue of \$154,427,415 and other deferrals of \$30,675. A summary of deferred grant revenue as of December 31, 2021 and 2020 is as follows:

See independent auditor's report.

CATSKILL WATERSHED CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 2021 AND 2020

NOTE 9 – DEFERRED GRANT REVENUE (CONTINUED):

Program	2021	2020
Operating	\$ 19,099,740	\$ 18,942,708
Septic Program III	4,545,115	5,113,171
Septic Program IV	-	3,501,929
Septic Program V	14,011,236	12,009,577
Septic Maintenance	867,420	1,005,714
Land Acquisition	-	-
Stream Corridor Protection	1,502,227	1,502,227
Flood Hazard	7,601,410	7,233,288
Community Wastewater III	14,447,564	14,189,905
Community Wastewater-Shokan	23,333,056	245,665
Public Education II	24,383	124,683
Public Education II - Renewal	63,569	-
Stormwater Retrofits	489,454	489,454
Stormwater Retrofits II	1,951,088	602,353
Stormwater Technical Assistance	31,157	26,432
Tax Consulting	554,338	554,338
Tax Litigation Avoidance	377,077	377,077
WOH Future Stormwater	10,083,790	10,687,397
Future Stormwater - MOA 145	1,134,180	897,031
Local Technical Assistance	213,206	213,206
Catskill Fund for the Future	54,097,407	54,178,484
	<u>\$ 154,427,415</u>	<u>\$ 131,894,639</u>

*Note: Totals may not add due to rounding.*

NOTE 10 – CONTRACT AND GRANT REVENUE:

Contract and Grant Revenue in the Statements of Activities is reported as follows:

	2021	2020
<b>Grant Revenue:</b>		
New York City Department of Environmental Protection	\$ 17,615,815	\$ 31,205,070
<b>Other Income:</b>		
Steward & Planning Grant	-	18,396
Catskill Park Wayfinding Sign Project	-	-
	<u>\$ 17,615,815</u>	<u>\$ 31,223,466</u>

*Note: Totals may not add due to rounding.*

NOTE 11 – RETIREMENT PROGRAM (DEFINED CONTRIBUTION):

The Corporation sponsors a simplified pension retirement plan. Contributions to the plan for 2021 and 2020 were \$97,635 and \$93,463, respectively. See independent auditor's report.

CATSKILL WATERSHED CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 2021 AND 2020

NOTE 12 – CONTINUED EXISTENCE:

CWC’s continued existence is dependent upon funds received from the City funding agencies to meet its normal operating expenditures.

NOTE 13 – COMMITMENTS AND CONTINGENCIES:

- A. CWC receives City funding for specific purposes that are subject to review and audit by City agencies. Such audits could result in a request for reimbursement by the City for expenditures disallowed under the terms and conditions of the appropriate agency. CWC believes that disallowed expenditures, if any, will not have a material effect on any of the individual CWC’s funds or the overall financial position of CWC.
- B. The CWC entered into a 36-month and a 42-month operating lease totaling \$22,162 for two copy machines. Total rental expenditures on the lease for the fiscal years ended December 31, 2021 and 2020 were \$6,697 and \$4,302, respectively. The minimum future operating lease payments are as follows:

<u>Year Ending December 31</u>	
2022	6,697
2023	<u>4,465</u>
	<u>\$ 11,162</u>

*Note: Totals may not add due to rounding.*

- C. The Coronavirus (COVID-19), first detected in China, has since spread worldwide and has been declared a pandemic by the World Health Organization (WHO). The health risks are not to be underestimated, but the economic affect to business, other organizations, and the general population may be in the billions of dollars (or more).
  - 1. Some of the possible economic effects and business disruption are as follows.
    - a. Training staff on new procedures for services previously held face to face
    - b. Potential increased services needed in community
    - c. Inability or lack of need to retain employees
    - d. An anticipated reduction in contributions and services
  - 2. As a result of the pandemic, CWC has incurred additional costs, making sure the office is sanitized on a daily basis.

The duration of the effects of the virus and its economic impact are not known at this time, however, the longer this health issue affects the Organization the more costly it may become.

See independent auditor’s report.

CATSKILL WATERSHED CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 DECEMBER 31, 2021 AND 2020

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NOTE 14 – LEASE RECEIVABLE:

The CWC entered into a \$157,137, thirty year lease with the Village of Fleischmanns with \$1,000 minimum annual rentals. CWC received \$11,804 as of December 31, 2021.

	2021	2020
Lease Receivable	\$ 145,333	\$ 146,333
Less: Accumulated Amortization	(50,192)	(43,668)
	\$ 95,141	\$ 102,665

NOTE 15 – CWC HOLDINGS:

The CWC owns 100% of the CWC Holdings II, LLC which is consolidated in the financial statements. CWC had purchased CWC Holdings II, LLC for renovation and resale. The CWC Holdings II, LLC completed renovations and is now held for sale. Impairment losses were reflected in the Statement of Activities as a component of program expense for the Catskill Fund for the Future in 2011.

See independent auditor's report.

CATSKILL WATERSHED CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2021 AND 2020

NOTE 15 – CWC HOLDINGS (CONTINUED):

	Balance Sheets	
	December 31, 2021	December 31, 2020
	CWC Holdings II, LLC	CWC Holdings II, LLC
<b>Assets</b>		
Checking	\$ 7,731	\$ 11,063
Prepaid Expenses	-	-
Building (Net)	1,107,753	1,145,304
Total Assets	\$ 1,115,484	\$ 1,156,366
<b>Liabilities</b>		
Current Liabilities	3,130	-
Equity	1,112,354	1,156,366
Total Liabilities & Equity	\$ 1,115,484	\$ 1,156,366
<b>Income Statements</b>		
	December 31, 2020	December 31, 2020
	CWC Holdings II, LLC	CWC Holdings II, LLC
Income (Loss)	\$ -	\$ -
<b>Expenses</b>		
Advertising & Promotion	-	-
Depreciation Expense	37,551	37,551
Insurance Expense	-	-
Legal Services	3,130	-
Misc. Expense	-	-
Repairs & Maintenance	2,990	5,163
Travel/Meals & Entertainment	342	-
Utilities	-	-
Loss on Impairment	-	-
Expenses	44,013	42,714
Net Income (Loss)	\$ (44,013)	\$ (42,714)

*Note: Totals may not add due to rounding.*

See independent auditor's report.

CATSKILL WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021 AND 2020

NOTE 16 – SUBSEQUENT EVENTS:

The date to which events occurring after December 31, 2021, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is February 25, 2022, which is the date on which the financial statements were available to be issued.

The 2017 Filtration Avoidance Determination requires the city to sign a binding commitment to lease space at the new CWC building. CWC has acquired property in Arkville, NY from the Catskill Water Discovery Center (CWDC) and will lease space back to CWDC as a stipulation to the property acquisition. In 2018, the building construction was underway and CWC occupied the building in March of 2020. The former CWC building located in Margaretville, NY was sold.

NOTE 17– INCOME TAXES:

The Organization is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The Organization is not liable for income taxes if it operates within the confines of its exempt status, though the Organization may be responsible for taxes on unrelated business activities. In the event of an examination of the income tax returns, the tax liability of the Organization could be changed if an adjustment in the tax exempt purpose or income from unrelated business activities is ultimately determined by the taxing authorities. The Organization's income tax filings are subject to audit by various taxing authorities. The Organization's open audit periods are 2018–2021. Management continually evaluates expiring statutes of limitation, audits, proposed settlements, changes in tax law and new authoritative rulings. The Organization believes their estimates are appropriate based on current facts and circumstances. Accordingly, there are no uncertain tax positions to disclose. As such, there are no correspondingly related interest and penalties to be accrued thereon.

A. Interest and Penalties:

During the years ended December 31, 2021 and 2020, the Organization recognized approximately \$-0- and \$-0- in interest and penalties. The Organization has accrued approximately \$-0- and \$-0- for the payment of interest and penalties as of December 31, 2021 and 2020, respectively.

B. Open Tax Years:

With few exceptions the Organization is no longer subject to Federal and State income tax examinations by tax authorities for the years before 2018.

See independent auditor's report.

CATSKILL WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021 AND 2020

NOTE 18 – FAIR VALUE MEASUREMENTS:

A. Major categories of assets and liabilities measured at fair value on a recurring basis comprise the following:

Description	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable (Level 2)	Significant Unobservable Inputs (Level 3)
<b>As of December 31, 2021</b>				
<b>Assets:</b>				
Investments Held to Maturity	\$ 24,144,106	\$ 24,144,106	\$ -	\$ -
Loans Receivable, Net	21,233,814	-	21,233,814	-
CWC Holdings II, LLC	1,112,354	-	1,112,354	-
	<u>\$ 46,490,275</u>	<u>\$ 24,144,106</u>	<u>\$ 22,346,168</u>	<u>\$ -</u>
<b>Liabilities</b>				
Deferred Grant Revenues	<u>\$ 154,427,415</u>	<u>\$ -</u>	<u>\$ 154,427,415</u>	<u>\$ -</u>
<b>As of December 31, 2020</b>				
<b>Assets:</b>				
Investments Held to Maturity	\$ 24,230,722	\$ 24,230,722	\$ -	\$ -
Loans Receivable, Net	24,606,718	-	24,606,718	-
CWC Holdings II, LLC	1,199,081	-	1,199,081	-
	<u>\$ 50,036,521</u>	<u>\$ 24,230,722</u>	<u>\$ 25,805,799</u>	<u>\$ -</u>
<b>Liabilities</b>				
Deferred Grant Revenues	<u>\$ 131,894,639</u>	<u>\$ -</u>	<u>\$ 131,894,639</u>	<u>\$ -</u>

- ❖ Level 1 Inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- ❖ Level 2 Inputs: Directly or indirectly observable (market based) information– This includes quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active. For loans receivable and deferred grant revenue fair value is estimated as the present value of expected future cash inflows or outflows.
- ❖ Level 3 Inputs: Unobservable inputs for the asset or liability for which there is no market data or for which asset and liability values are not correlated with market value – For investments in the holdings, LLC’s significant inputs include initial cash investment and measurements of marketability as the project nears completion. This is utilized to estimate future cash flows from the project. As needed, impairments in value have been recognized in the past as a reduction in fair value.

See independent auditor’s report.

CATSKILL WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021 AND 2020

NOTE 18 – FAIR VALUE MEASUREMENTS (CONTINUED):

The table below provides a reconciliation of the beginning and ending net balances for assets and liabilities measured at the fair value and classified as Level 3 in the fair value hierarchy:

	Year Ended December 31,	
	2021	2020
Balance at Beginning of Period	\$ -	\$ -
Unrealized Gains/(Losses)	-	-
Realized Gains/(Losses)	-	-
Purchases, Issuances, Sales and Settlements	-	-
Transfers In and/or Out of Level 3	-	-
Balance at End of Period	\$ -	\$ -

*Note: Totals may not add due to rounding.*

Realized and unrealized gains and losses of \$-0- and \$-0- for 2021 and 2020, respectively, are included in changes in net assets and are reported in the Statement of Activities as a component of program expense for the Catskill Fund for the Future. There were no transfers into Level 3 from Level 2. The Organization's policy is to recognize transfers into and out of Level 3 as of the actual date of the event or change in circumstances. Holdings III was foreclosed property in 2012 and added to Level 3.

B. Other Fair Value Disclosures:

Financial instruments are recorded at carrying value in the financial statements; however, the fair value of these instruments is disclosed below in accordance with current accounting guidance related to financial instruments.

The following methods and assumptions were used to estimate fair value of each class of financial instruments for which it is practicable to estimate that value:

- I. Cash and Cash Equivalents: the carrying amount approximates fair value because of the short maturity of those instruments.
- II. Accrued Interest Receivable: the carrying amount approximates fair value because of the short term to the ultimate scheduled payment date.
- III. Property, Plant and Equipment: the fair value of property, plant and equipment held and used is determined, whenever possible, by reference to quoted market prices and other market information for similar assets. This is then compared to depreciated historical cost values as a measure to determine potential impairment loss. No impairment losses have been recognized through the current year end.
- IV. Accounts Payable and Accrued Expenses: the carrying amounts approximate fair value because of the short term to liquidation of the instruments.

See independent auditor's report.

CATSKILL WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021 AND 2020

NOTE 19 – INTER-PROGRAM FUND TRANSFERS:

The Board of Directors has re-allocated certain program funds to develop new programs, continue existing programs and/or because of NYCDEP contractual requirements. A summary of the inter-program transfers is as follows:

Program	Transfer-In	Transfer-Out
Operating	81,077	-
CWMP III	16,320	-
Future Stormwater	-	16,320
Catskill Fund for the Future	-	81,077
Total Inter-Program Transfers	<u>\$ 97,397</u>	<u>\$ 97,397</u>

NOTE 20 – GRANT AWARDS:

The CWC was awarded \$500,000 from the State of New York Department of Environmental Conservation to administer the Catskill Master Plan Stewardship and Planning Funds. *Also see Note 5A.*

NOTE 21 – LITIGATION:

CWC has commenced two successive years' worth of hybrid Civil Practice Law and Rules Article 78 and Real Property Tax Law Article 7 proceedings challenging the tax exempt status and tax assessment of certain real property located in the Town of Middletown. There are no counterclaims asserted against CWC. CWC intends to vigorously pursue these proceedings.

On June 25, 2021, the Village of Stamford Code Enforcement Officer issued a notice of violation related to property owned by CWC Holdings, II, LLC, located at 56 Main Street in the Village of Stamford, New York, alleging in part that a "change of use" is required, in connection with the tenancy of the Utica Center for Development, and asserting a potential "fine not exceeding \$250, or ... imprisonment not exceeding 50 days, or ... both such fine and imprisonment, for each and every violation and for each week and every week that such violation continues". CWC appealed that portion of the notice alleging that a "change of use" is required to the Village of Stamford Zoning Board of Appeals. On February 8th, 2022, an adverse determination was made, which filed written opinion has not yet been provided to CWC. CWC will evaluate the written opinion on receipt and intends to vigorously defend its rights.

See independent auditor's report.

SUPPLEMENTARY INFORMATION

CATSKILL WATERSHED CORPORATION  
SCHEDULE OF FINANCIAL POSITION - BY PROGRAM

DECEMBER 31, 2021

*ASSETS*

	Unrestricted Operating	Septic Program III	Septic Program IV	Septic Program V	Septic System Maintenance	Land Acquisition	Stream Corridor Protection	Subtotal Carried Forward
<b>Current Assets:</b>								
Cash - Checking	\$ 1,078,781	\$ 4,614,680	\$ 1	\$ 14,633,682	\$ 233,974	\$ -	\$ 154,227	\$ 20,715,345
Cash - Reserved	-	-	-	-	-	-	1,366,855	1,366,855
Short-Term Investments	43,114	-	-	-	644,822	-	-	687,936
Short-Term Investments-Reserved	-	-	-	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-	-	-
Accounts Receivable	16,148	-	-	-	-	-	-	16,148
Accrued Interest Receivable	556	-	-	-	-	-	-	556
Loans Receivable, Net of Allowance for Doubtful Accounts	-	-	-	-	-	-	-	-
Due from Other Funds	127,641	1,900	(89)	(56,787)	(2,118)	-	(1)	70,546
Prepaid Expenditures	172,008	-	-	-	-	-	-	172,008
<b>Total Current Assets</b>	<b>1,438,248</b>	<b>4,616,580</b>	<b>(88)</b>	<b>14,576,895</b>	<b>876,678</b>	<b>-</b>	<b>1,521,081</b>	<b>23,029,394</b>
<b>Property, Plant, and Equipment, Net of Accumulated Depreciation</b>								
	<b>17,878,893</b>	<b>-</b>	<b>-</b>	<b>331</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,879,224</b>
<b>Long-Term Assets:</b>								
Long-Term Investments	-	-	-	-	-	-	-	-
Lease Receivable	-	-	-	-	-	-	-	-
Loans Receivable, Net of Allowance for Doubtful Accounts	-	-	-	-	-	-	-	-
CWC Holdings II, LLC	-	-	-	-	-	-	-	-
<b>Total Long-Term Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>\$ 19,317,141</b>	<b>\$ 4,616,580</b>	<b>\$ (88)</b>	<b>\$ 14,577,226</b>	<b>\$ 876,678</b>	<b>\$ -</b>	<b>\$ 1,521,081</b>	<b>\$ 40,908,618</b>
<i>LIABILITIES AND NET ASSETS</i>								
<b>Current Liabilities:</b>								
Accounts Payable	\$ 44,895	\$ 71,466	\$ -	\$ 565,990	\$ 9,258	\$ -	\$ -	\$ 691,609
Accrued Expenditures	172,506	-	-	-	-	-	-	172,506
Deferred Grant Revenue	19,099,740	4,545,114	-	14,011,236	867,420	-	1,502,228	40,025,738
Deferred Interest Income	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>19,317,141</b>	<b>4,616,580</b>	<b>-</b>	<b>14,577,226</b>	<b>876,678</b>	<b>-</b>	<b>1,502,228</b>	<b>40,889,853</b>
<b>Net Assets:</b>								
Without Donor Restrictions	-	-	(88)	-	-	-	18,853	18,765
With Donor Restrictions	-	-	-	-	-	-	-	-
<b>Total Net Assets</b>	<b>-</b>	<b>-</b>	<b>(88)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,853</b>	<b>18,765</b>
	<b>\$ 19,317,141</b>	<b>\$ 4,616,580</b>	<b>\$ (88)</b>	<b>\$ 14,577,226</b>	<b>\$ 876,678</b>	<b>\$ -</b>	<b>\$ 1,521,081</b>	<b>\$ 40,908,618</b>

*Note: Totals may not add due to rounding.*

See independent auditor's report and notes to the financial statements.

CATSKILL WATERSHED CORPORATION

SCHEDULE OF FINANCIAL POSITION - BY PROGRAM (CONTINUED)

DECEMBER 31, 2021

<i>ASSETS</i>	Subtotal Brought Forward	Flood Hazard	Community Wastewater Management III	CWMP Shokan	Public Education Program	Subtotal Carried Forward
<b>Current Assets:</b>						
Cash - Checking	\$ 20,715,345	\$ 7,965,783	\$ 13,462,929	\$ 23,657,691	\$ 24,383	\$ 65,826,131
Cash - Reserved	1,366,855	-	1,120,843	-	-	2,487,698
Short-Term Investments	687,936	-	-	-	-	687,936
Short-Term Investments-Reserved	-	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-
Accounts Receivable	16,148	-	-	-	-	16,148
Accrued Interest Receivable	556	-	-	-	-	556
Loans Receivable, Net of Allowance for Doubtful Accounts	-	-	-	-	-	-
Due from Other Funds	70,546	(11,680)	(5,710)	(3,307)	-	49,849
Prepaid Expenditures	172,008	-	-	-	-	172,008
<b>Total Current Assets</b>	<b>23,029,394</b>	<b>7,954,103</b>	<b>14,578,062</b>	<b>23,654,384</b>	<b>24,383</b>	<b>69,240,326</b>
<b>Property, Plant, and Equipment, Net of Accumulated Depreciation</b>	<b>17,879,224</b>	<b>414,587</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,293,811</b>
<b>Long-Term Assets:</b>						
Long-Term Investments	-	-	-	-	-	-
Lease Receivable	-	-	-	-	-	-
Loans Receivable, Net of Allowance for Doubtful Accounts	-	-	-	-	-	-
CWC Holdings II, LLC	-	-	-	-	-	-
<b>Total Long-Term Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>\$ 40,908,618</b>	<b>\$ 8,368,690</b>	<b>\$ 14,578,062</b>	<b>\$ 23,654,384</b>	<b>\$ 24,383</b>	<b>\$ 87,534,137</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Current Liabilities:</b>						
Accounts Payable	\$ 691,609	\$ 765,519	\$ 130,497	\$ 321,329	\$ -	\$ 1,908,954
Accrued Expenditures	172,506	1,761	-	-	-	174,267
Deferred Grant Revenue	40,025,738	7,601,410	14,447,564	23,333,055	24,383	85,432,150
Deferred Interest Income	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>40,889,853</b>	<b>8,368,690</b>	<b>14,578,061</b>	<b>23,654,384</b>	<b>24,383</b>	<b>87,515,371</b>
<b>Net Assets:</b>						
Without Donor Restrictions	18,765	-	-	-	-	18,765
With Donor Restrictions	-	-	-	-	-	-
<b>Total Net Assets</b>	<b>18,765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,765</b>
	<b>\$ 40,908,618</b>	<b>\$ 8,368,690</b>	<b>\$ 14,578,061</b>	<b>\$ 23,654,384</b>	<b>\$ 24,383</b>	<b>\$ 87,534,136</b>

Note: Totals may not add due to rounding.

See independent auditor's report and notes to the financial statements.

## CATSKILL WATERSHED CORPORATION

## SCHEDULE OF FINANCIAL POSITION - BY PROGRAM (CONTINUED)

DECEMBER 31, 2021

ASSETS	Subtotal	Public	Stormwater	Stormwater	Stormwater	Tax	Subtotal
	Brought Forward	Education II Renewal	Stormwater Retrofits	Stormwater Retrofits II	Technical Assistance	Tax Consulting	Carried Forward
<b>Current Assets:</b>							
Cash - Checking	\$ 65,826,131	\$ 111,958	\$ 509,889	\$ 1,951,637	\$ 31,157	\$ 368,329	\$ 68,799,101
Cash - Reserved	2,487,698	-	-	-	-	-	2,487,698
Short-Term Investments	687,936	-	-	-	-	117,368	805,304
Short Term Investments-Reserved	-	-	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-	-
Accounts Receivable	16,148	-	-	-	-	-	16,148
Accrued Interest Receivable	556	-	-	-	-	1,550	2,106
Loans Receivable, Net of Allowance for Doubtful Accounts	-	-	-	-	-	-	-
Due from Other Funds	49,849	(2,497)	-	(549)	-	-	46,803
Prepaid Expenditures	172,008	-	-	-	-	-	172,008
	<u>69,240,326</u>	<u>109,461</u>	<u>509,889</u>	<u>1,951,088</u>	<u>31,157</u>	<u>487,247</u>	<u>72,329,168</u>
Total Current Assets							
Property, Plant, and Equipment, Net of Accumulated Depreciation	<u>18,293,811</u>	-	-	-	-	-	<u>18,293,811</u>
<b>Long-Term Assets:</b>							
Long-Term Investments	-	-	-	-	-	92,593	92,593
Lease Receivable	-	-	-	-	-	-	-
Loans Receivable, Net of Allowance for Doubtful Accounts	-	-	-	-	-	-	-
CWC Holdings II, LLC	-	-	-	-	-	-	-
Total Long-Term Assets	-	-	-	-	-	92,593	92,593
	<u>\$ 87,534,137</u>	<u>\$ 109,461</u>	<u>\$ 509,889</u>	<u>\$ 1,951,088</u>	<u>\$ 31,157</u>	<u>\$ 579,840</u>	<u>\$ 90,715,572</u>
<b>LIABILITIES AND NET ASSETS</b>							
<b>Current Liabilities:</b>							
Accounts Payable	\$ 1,908,954	\$ 12,075	\$ -	\$ -	\$ -	\$ -	\$ 1,921,029
Accrued Expenditures	174,267	33,818	-	-	-	-	208,085
Deferred Grant Revenue	85,432,150	63,569	489,454	1,951,088	31,157	554,338	88,521,756
Deferred Interest Income	-	-	-	-	-	-	-
Total Current Liabilities	<u>87,515,371</u>	<u>109,462</u>	<u>489,454</u>	<u>1,951,088</u>	<u>31,157</u>	<u>554,338</u>	<u>90,650,870</u>
<b>Net Assets:</b>							
Without Donor Restrictions	18,765	-	20,435	-	-	25,502	64,702
With Donor Restrictions	-	-	-	-	-	-	-
Total Net Assets	<u>18,765</u>	<u>-</u>	<u>20,435</u>	<u>-</u>	<u>-</u>	<u>25,502</u>	<u>64,702</u>
	<u>\$ 87,534,136</u>	<u>\$ 109,462</u>	<u>\$ 509,889</u>	<u>\$ 1,951,088</u>	<u>\$ 31,157</u>	<u>\$ 579,840</u>	<u>\$ 90,715,572</u>

Note: Totals may not add due to rounding.

See independent auditor's report and notes to the financial statements.

## CATSKILL WATERSHED CORPORATION

## SCHEDULE OF FINANCIAL POSITION - BY PROGRAM (CONTINUED)

DECEMBER 31, 2021

## ASSETS

	Subtotal Brought Forward	Tax Litigation Avoidance Program	WOH Future Stormwater Controls	Future SW-MOA 145	Local Technical Assistance	Catskill Fund for the Future	Totals
<b>Current Assets:</b>							
Cash - Checking	\$ 68,799,101	\$ 378,968	\$ 4,889,830	\$ 1,154,700	\$ 104,170	\$ 21,139,075	\$ 96,465,844
Cash - Reserved	2,487,698	-	-	-	110,000	-	2,597,698
Short-Term Investments	805,304	-	2,528,345	-	-	544	3,334,193
Short-Term Investments-Reserved	-	-	-	-	-	-	-
Grant Receivable	-	-	-	-	-	-	-
Accounts Receivable	16,148	-	-	-	-	-	16,148
Accrued Interest Receivable	2,106	-	47,751	-	-	130,068	179,925
Loans Receivable, Net of Allowance for Doubtful Accounts	-	-	-	-	-	3,223,600	3,223,600
Due from Other Funds	46,803	-	(17,485)	(6,648)	-	(22,670)	-
Prepaid Expenses	172,008	-	-	-	-	6,162	178,170
<b>Total Current Assets</b>	<b>72,329,168</b>	<b>378,968</b>	<b>7,448,441</b>	<b>1,148,052</b>	<b>214,170</b>	<b>24,476,779</b>	<b>105,995,578</b>
<b>Property, Plant, and Equipment, Net of Accumulated Depreciation</b>							
	18,293,811	-	-	-	-	3,224	18,297,035
<b>Long-Term Assets:</b>							
Long-Term Investments	92,593	-	7,605,692	-	-	15,681,705	23,379,990
Lease Receivable	-	-	-	-	-	95,141	95,141
Loans Receivable, Net of Allowance for Doubtful Accounts	-	-	-	-	-	18,010,215	18,010,215
CWC Holdings II, LLC	-	-	-	-	-	1,112,354	1,112,354
<b>Total Long-Term Assets</b>	<b>92,593</b>	<b>-</b>	<b>7,605,692</b>	<b>-</b>	<b>-</b>	<b>34,899,415</b>	<b>42,597,700</b>
	<b>\$ 90,715,572</b>	<b>\$ 378,968</b>	<b>\$ 15,054,133</b>	<b>\$ 1,148,052</b>	<b>\$ 214,170</b>	<b>\$ 59,379,418</b>	<b>\$ 166,890,313</b>
<b>LIABILITIES AND NET ASSETS</b>							
<b>Current Liabilities:</b>							
Accounts Payable	\$ 1,921,029	\$ -	\$ 13,872	\$ 13,872	\$ -	\$ 13,160	\$ 1,961,933
Accrued Expenses	208,085	-	-	-	-	45,000	253,085
Deferred Grant Revenue	88,521,756	377,077	10,083,790	1,134,180	213,206	54,097,407	154,427,416
Deferred Interest Income	-	-	-	-	-	30,674	30,674
<b>Total Current Liabilities</b>	<b>90,650,870</b>	<b>377,077</b>	<b>10,097,662</b>	<b>1,148,052</b>	<b>213,206</b>	<b>54,186,241</b>	<b>156,673,108</b>
<b>Net Assets:</b>							
Without Donor Restrictions	64,702	1,891	4,956,471	-	964	5,193,177	10,217,205
With Donor Restrictions	-	-	-	-	-	-	-
<b>Total Net Assets</b>	<b>64,702</b>	<b>1,891</b>	<b>4,956,471</b>	<b>-</b>	<b>964</b>	<b>5,193,177</b>	<b>10,217,205</b>
	<b>\$ 90,715,572</b>	<b>\$ 378,968</b>	<b>\$ 15,054,133</b>	<b>\$ 1,148,052</b>	<b>\$ 214,170</b>	<b>\$ 59,379,418</b>	<b>\$ 166,890,313</b>

Note: Totals may not add due to rounding.

See independent auditor's report and notes to the financial statements.

CATSKILL WATERSHED CORPORATION

SCHEDULE OF REVENUES AND FUNCTIONAL EXPENSES - BY PROGRAM

FOR THE YEAR ENDED DECEMBER 31, 2021

	Unrestricted Operating	Septic Program III	Septic Program IV	Septic Program V	Septic System Maintenance	Subtotal Carried Forward
<b>Revenue:</b>						
Grant Revenue	\$ 1,686,211	\$ 568,056	\$ 3,677,463	\$ 3,398,341	\$ 138,294	\$ 9,468,365
Interest and Other Income	20,750	6,694	7,243	19,531	497	\$ 54,715
<b>Total Revenue</b>	<b>1,706,961</b>	<b>574,750</b>	<b>3,684,706</b>	<b>3,417,872</b>	<b>138,791</b>	<b>9,523,080</b>
<b>Expenditures:</b>						
Salary	646,575	-	237,460	28,781	4,915	917,731
Fringe Benefits	386,777	-	102,331	13,653	2,567	505,328
Program	-	574,750	3,047,277	3,285,370	125,910	7,033,307
Occupancy Costs	418,350	-	-	-	-	418,350
Advertising & Promotion	4,567	-	-	-	-	4,567
Office Supplies	19,230	-	-	-	-	19,230
Communication	16,079	-	609	53	239	16,980
Grants	-	-	-	-	-	-
Travel	14,267	-	-	-	-	14,267
Conferences and Seminars	419	-	-	-	-	419
Insurance	99,413	-	-	-	-	99,413
Repairs & Maintenance	10,028	-	324	-	-	10,352
Subscriptions & Publications	6,911	-	-	300	-	7,211
Professional Fees	250,268	-	5,312	11,615	-	267,195
Administrative	(776,992)	-	291,261	78,056	5,160	(402,515)
Depreciation	610,204	-	221	44	-	610,469
Dues, Licenses, and Memberships	506	-	-	-	-	506
Miscellaneous	359	-	-	-	-	359
Impairment Loss	-	-	-	-	-	-
Interfund Transfers Out	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,706,961</b>	<b>574,750</b>	<b>3,684,795</b>	<b>3,417,872</b>	<b>138,791</b>	<b>9,523,169</b>
Change in Net Assets	-	-	(89)	-	-	(89)
Net Assets, Beginning	-	-	-	-	-	-
Net Assets, Ending	\$ -	\$ -	\$ (89)	\$ -	\$ -	\$ (89)

Note: Totals may not add due to rounding.

See independent auditor's report and notes to the financial statements.

## CATSKILL WATERSHED CORPORATION

## SCHEDULE OF REVENUES AND FUNCTIONAL EXPENSE - BY PROGRAM (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Subtotal Brought Forward	Land Acquisition	Stream Corridor Protection	Flood Hazard	Community Wastewater Management III	Subtotal Carried Forward
<b>Revenue:</b>						
Grant Revenue	\$ 9,468,365	\$ 7,246	\$ -	\$ 2,381,878	\$ 3,333,850	\$ 15,191,339
Interest and Other Income	54,715	-	2,052	(93,545)	23,858	(12,920)
<b>Total Revenue</b>	<b>9,523,080</b>	<b>7,246</b>	<b>2,052</b>	<b>2,288,333</b>	<b>3,357,708</b>	<b>15,178,419</b>
<b>Expenditures:</b>						
Salary	917,731	-	-	75,769	47,836	1,041,336
Fringe Benefits	505,328	-	-	26,044	16,161	547,533
Program	7,033,307	7,246	-	2,123,583	3,242,087	12,406,223
Occupancy Costs	418,350	-	-	-	-	418,350
Advertising & Promotion	4,567	-	-	747	-	5,314
Office Supplies	19,230	-	-	-	-	19,230
Communication	16,980	-	1	267	633	17,881
Grants	-	-	-	-	-	-
Travel	14,267	-	-	39	-	14,306
Conferences and Seminars	419	-	-	85	-	504
Insurance	99,413	-	-	-	-	99,413
Repairs & Maintenance	10,352	-	-	-	-	10,352
Subscriptions & Publications	7,211	-	-	-	-	7,211
Professional Fees	267,195	-	-	-	11,008	278,203
Administrative	(402,515)	-	-	61,574	39,983	(300,958)
Depreciation	610,469	-	-	-	-	610,469
Dues, Licenses, and Memberships	506	-	-	225	-	731
Miscellaneous	359	-	-	-	-	359
Impairment Loss	-	-	-	-	-	-
Interfund Transfers Out	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>9,523,169</b>	<b>7,246</b>	<b>1</b>	<b>2,288,333</b>	<b>3,357,708</b>	<b>15,176,457</b>
Change in Net Assets	(89)	-	2,051	-	-	1,962
Net Assets, Beginning	-	-	16,802	-	-	16,802
Net Assets, Ending	\$ (89)	\$ -	\$ 18,853	\$ -	\$ -	\$ 18,764

*Note: Totals may not add due to rounding.*

See independent auditor's report and notes to the financial statements.

## CATSKILL WATERSHED CORPORATION

## SCHEDULE OF REVENUES AND FUNCTIONAL EXPENSE - BY PROGRAM (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Subtotal Brought Forward	CWMP Shokan	Public Education Program	Public Education Renewal	Stormwater Retrofits	Stormwater Retrofits II	Stormwater Technical Assistance	Subtotal Carried Forward
<b>Revenue:</b>								
Grant Revenue	\$ 15,191,339	\$ 1,078,381	\$ (35,266)	\$ 186,431	\$ -	\$ 463,294	\$ 10,275	\$ 16,894,454
Interest and Other Income	(12,920)	17,773	123	78	701	2,408	28	8,191
Total Revenue	<u>15,178,419</u>	<u>1,096,154</u>	<u>(35,143)</u>	<u>186,509</u>	<u>701</u>	<u>465,702</u>	<u>10,303</u>	<u>16,902,645</u>
<b>Expenditures:</b>								
Salary	1,041,336	16,903	4,012	8,008	-	11,294	7,359	1,088,912
Fringe Benefits	547,533	4,189	2,618	5,412	-	3,325	2,944	566,021
Program	12,406,223	1,062,647	-	-	19,612	429,615	-	13,918,097
Occupancy Costs	418,350	20	-	-	-	-	-	418,370
Advertising & Promotion	5,314	-	-	-	-	45	-	5,359
Office Supplies	19,230	-	-	-	-	-	-	19,230
Communication	17,881	102	11	156	39	17	-	18,206
Grants	-	-	(47,268)	162,727	-	-	-	115,459
Travel	14,306	-	-	-	-	-	-	14,306
Conferences and Seminars	504	-	-	-	-	-	-	504
Insurance	99,413	-	-	-	-	-	-	99,413
Repairs & Maintenance	10,352	-	-	-	-	-	-	10,352
Subscriptions & Publications	7,211	-	-	-	-	-	-	7,211
Professional Fees	278,203	-	-	-	-	-	-	278,203
Administrative	(300,958)	12,293	5,484	10,206	-	21,406	-	(251,569)
Depreciation	610,469	-	-	-	-	-	-	610,469
Dues, Licenses, and Memberships	731	-	-	-	-	-	-	731
Miscellaneous	359	-	-	-	-	-	-	359
Impairment Loss	-	-	-	-	-	-	-	-
Interfund Transfers Out	-	-	-	-	-	-	-	-
Total Expenditures	<u>15,176,457</u>	<u>1,096,154</u>	<u>(35,143)</u>	<u>186,509</u>	<u>19,651</u>	<u>465,702</u>	<u>10,303</u>	<u>16,919,633</u>
Change in Net Assets	1,962	-	-	-	(18,950)	-	-	(16,988)
Net Assets, Beginning	<u>16,802</u>	-	-	-	<u>39,385</u>	-	-	<u>56,187</u>
Net Assets, Ending	<u>\$ 18,764</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,435</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,199</u>

*Note: Totals may not add due to rounding.*

See independent auditor's report and notes to the financial statements.

CATSKILL WATERSHED CORPORATION

SCHEDULE OF REVENUES AND FUNCTIONAL EXPENSE - BY PROGRAM (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Subtotal Brought Forward	Tax Consulting	Tax Litigation Avoidance Program	WOH Future Stormwater Controls	Future SW-MOA 145	Local Technical Assistance	Catskill Fund for the Future	Totals
<b>Revenue:</b>								
Grant Revenue	\$ 16,894,454	\$ -	\$ -	\$ 587,287	\$ 134,072	\$ -	\$ -	\$ 17,615,813
Interest and Other Income	8,191	138	512	389	1,498	289	726,802	737,819
Total Revenue	<u>16,902,645</u>	<u>138</u>	<u>512</u>	<u>587,676</u>	<u>135,570</u>	<u>289</u>	<u>726,802</u>	<u>18,353,632</u>
<b>Expenditures:</b>								
Salary	1,088,912	42	85	51,511	25,863	59	146,805	1,313,277
Fringe Benefits	566,021	23	46	26,105	11,739	9	92,711	696,654
Program	13,918,097	-	-	441,654	64,075	-	55,231	14,479,057
Occupancy Costs	418,370	-	-	-	-	-	-	418,370
Advertising & Promotion	5,359	-	-	-	-	-	6,267	11,626
Office Supplies	19,230	-	-	370	-	-	-	19,600
Communication	18,206	-	-	15	35	2	715	18,973
Grants	115,459	-	-	-	-	-	-	115,459
Travel	14,306	-	-	26	-	-	197	14,529
Conferences and Seminars	504	-	-	-	-	-	-	504
Insurance	99,413	-	-	-	-	-	49,417	148,830
Repairs & Maintenance	10,352	-	-	-	-	-	8,873	19,225
Subscriptions & Publications	7,211	-	-	375	-	-	236	7,822
Professional Fees	278,203	-	-	96	-	-	46,310	324,609
Administrative	(251,569)	30	63	69,865	33,858	83	147,670	-
Depreciation	610,469	-	-	-	-	-	38,781	649,250
Dues, Licenses, and Memberships	731	-	-	-	-	-	-	731
Miscellaneous	359	-	-	-	-	-	145	504
Impairment Loss	-	-	-	-	-	-	-	-
Interfund Transfers Out	-	-	-	-	-	-	-	-
Total Expenditures	<u>16,919,633</u>	<u>95</u>	<u>194</u>	<u>590,017</u>	<u>135,570</u>	<u>153</u>	<u>593,358</u>	<u>18,239,020</u>
Change in Net Assets	(16,988)	43	318	(2,341)	-	136	133,444	114,612
Net Assets, Beginning	<u>56,187</u>	<u>25,458</u>	<u>1,574</u>	<u>4,958,811</u>	<u>-</u>	<u>829</u>	<u>5,059,733</u>	<u>10,102,592</u>
Net Assets, Ending	<u>\$ 39,199</u>	<u>\$ 25,501</u>	<u>\$ 1,892</u>	<u>\$ 4,956,470</u>	<u>\$ -</u>	<u>\$ 965</u>	<u>\$ 5,193,177</u>	<u>\$ 10,217,204</u>

Note: Totals may not add due to rounding.

See independent auditor's report and notes to the financial statements.